

Technical Information Department  
Lawrence Livermore National Laboratory  
University of California • Livermore, California 94550

# Financial Statements

UCAR-10287-94

Lawrence Livermore National Laboratory

September 30, 1994



<b>Introduction</b>	2
<b>Comparative Financial Statements</b>	
Comparative Balance Sheet (Exhibit A)	4
Comparative Statement of Operations (Exhibit B)	5
Comparative Statement of Changes in Financial Position (Exhibit C)	6
<b>Notes to Financial Statements</b>	7
<b>Statistics</b>	
Comparative Costs and Full-Time Equivalents (FTEs) by DOE Sponsor (Exhibit D)	14
Ten-Year Operating Costs and Staff Levels (Exhibit E)	16
Comparative Contract 48 Summary (Exhibit F)	17
Comparative Overhead Cost Analysis (Exhibit G)	18
Acknowledgments	20

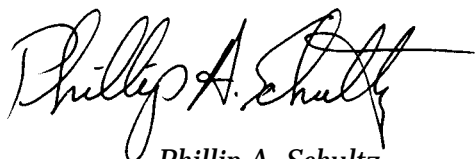
---

*C. Bruce Tarter*  
*Director, Lawrence Livermore National Laboratory*

*Dear Dr. Tarter:*

*We are pleased to submit the Lawrence Livermore National Laboratory Financial Statements for the fiscal years ended September 30, 1994 and 1993.*

*Sincerely,*

  
*Phillip A. Schultz*  
*Acting Controller*

## About the Laboratory

Lawrence Livermore National Laboratory (LLNL) was established in 1952 as a research facility, according to the provisions of Contract W-7405-ENG-48 between the University of California and the Atomic Energy Commission. When the Department of Energy (DOE) was formed, the contract was assumed by DOE. Under this contract, LLNL receives four classifications of funds: operating, reimbursable, plant, and equipment. Operating funds support programmatic operating requirements; reimbursable funds support work performed by LLNL for organizations other than the DOE; plant funds support construction projects and other improvements to land (characterized by immobility and tangibility); equipment funds support the costs of items used in production, manufacturing, or processing; or in the performance of services, such as testing or research, that are not part of a structure.

The mission of the Laboratory is to serve as a national resource in science and engineering, focused on national security, energy, the environment, biology/biotechnology, economic competitiveness, and science and mathematics education, with a special responsibility for nuclear weapons. LLNL undertakes those multidisciplinary activities in fundamental and applied research and development that are necessary to maintain a leading position in the diverse scientific and technical fields required for this mission. LLNL

has important roles in meeting four of the nation's greatest challenges: deterring war, developing clean and affordable energy, preserving the environment, and enhancing this country's economic competitiveness.

Major DOE programs conducted by the Laboratory included weapons activities, inertial confinement fusion, verification and control technology, nuclear materials security and safeguards, defense waste management, laser isotope separation, magnetic fusion energy, biomedical and environmental research, basic energy sciences, commercial nuclear waste management, fossil energy, atmospheric and geophysical science, and technology transfer. The Laboratory also performs research on a variety of projects for other governmental agencies and nonprofit organizations.

## Financial Records

The Laboratory reports to the University of California based on a June 30 fiscal year-end and to the DOE based on a September 30 year-end, and is required to support operations and activity monthly in a specified format via the Financial Information Subsystem (FIS) by the fifth workday of the subsequent month.

The financial records of the Laboratory are audited by the firm of KPMG, Peat Marwick on behalf of the University of California and by the DOE Inspector General. In addition, various audits, reviews, and management appraisals are conducted during the year by the United States General Accounting Office, the Office of Management Review, LLNL Internal Audit Services, and the DOE Oakland Operations Office.

## Financial Highlights

### Funding

Contract modifications for the year ended September 30, 1994 totaled \$891 million, a decrease of \$163 million (16%) from the prior year. During fiscal year 1994, contract modifications for operations decreased from \$763 million to \$675 million (12%), while contract modifications for non-DOE federal funding decreased from \$165 million to \$138 million (16%). Funding for plant and equipment decreased from \$126 million to \$78 million (38%).

### Cost and Full-Time Equivalents (FTEs)

During the past year, costs and FTEs have remained relatively stable. The Laboratory's total costs for the year ended September 30, 1994 totaled \$965 million, a decrease of \$84 million (8%) from the prior year. Operating costs for the year ended September 30, 1994 totaled \$858 million, a decrease of \$94 million (9.8%) from the prior year. The Laboratory's average FTE level was 7321 in fiscal year 1994, a decrease of (8.6%) FTEs from the prior year.

### Assets, Liabilities, and DOE Equity

Total assets were \$1038 million at September 30, 1994, a decrease of \$10 million from the prior year. Current assets decreased \$15 million, or 14%, while plant and equipment increased \$4 million or 0.5%.

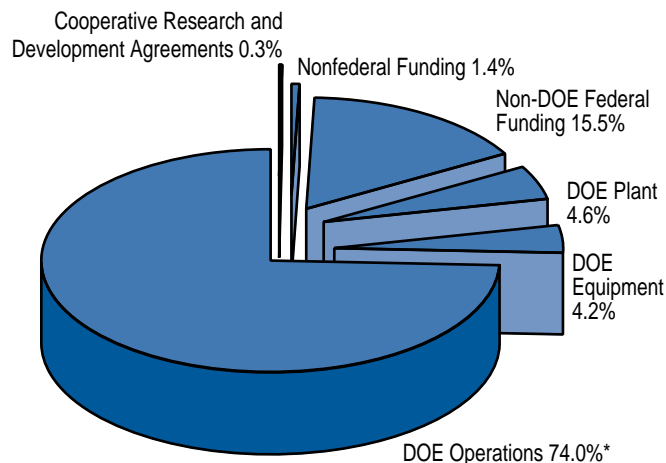
Total liabilities were \$527 million at September 30, 1994, an increase of \$316 million (150%) from the prior year. Department of Energy equity totaled \$510 million, a decrease of \$327 million (39%) from the prior year.

The Financial Statements and accompanying notes contained within this report will expand on the information provided in the introduction and will provide more detailed financial and statistical information about the Laboratory and its operations.

*M. James Lopez*

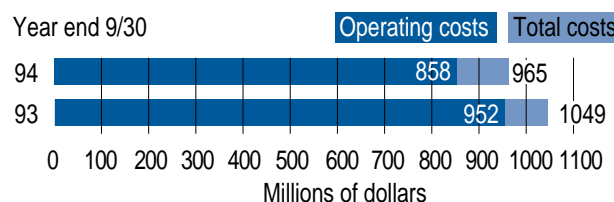
M. James Lopez  
Finance Officer

### Contract Funding

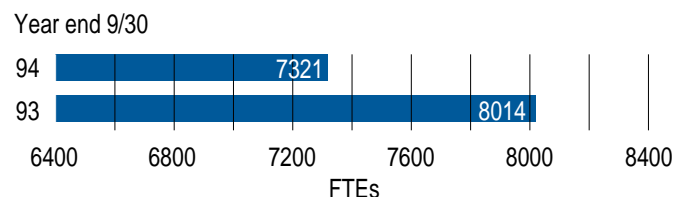


\*DOE operations fundings includes work done for other DOE organizations.

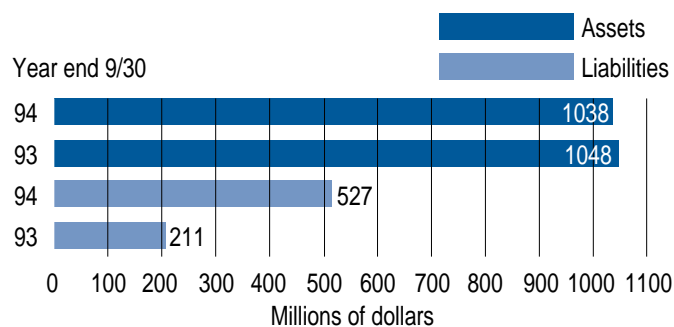
### Total Costs and Operating Costs



### YTD Average FTEs



### Total Assets and Liabilities





# Comparative Balance Sheet

September 30, 1994 and 1993 (In Thousands)

## Exhibit A

	September 30	
Assets	1994	1993
Current Assets		
Cash (Note 2)	\$ 75	\$ 112
Other Current Assets (Note 3)	3,688	3,452
Accounts Receivable (Note 4)	54,368	64,287
Inventories (Note 5)	30,543	35,824
Total Current Assets	88,674	103,675
Total Plant and Equipment (Note 6)	948,850	944,738
<b>Total Assets</b>	<b>\$ 1,037,524</b>	<b>\$ 1,048,413</b>

	September 30	
Liabilities and Equity	1994	1993
<b>Liabilities</b>		
Current Liabilities (Note 7)		
Drafts Payable	\$ 23,704	\$ 36,432
Accounts Payable	68,821	73,700
Accrued Expenses	47,992	54,350
Other	41,652	31,355
Total Current Liabilities	182,169	195,837
Long-Term Lease Liability (Note 8)	1,285	15,532
Post-Retirement Benefits (Note 12)	343,990	—
Total Liabilities	527,444	211,369
<b>DOE Equity</b>		
Beginning Equity	837,044	795,000
Total Equity Additions	957,514	1,040,598
Total Equity Reductions	(1,284,478)	(998,554)
Ending Equity	510,080	837,044
<b>Total Liabilities and Equity</b>	<b>\$ 1,037,524</b>	<b>\$ 1,048,413</b>

# C Comparative Statement of Operations

For the Fiscal Years Ended September 30, 1994 and 1993 (In Thousands)

## Exhibit B

	Fiscal Years Ended September 30		Increase	
	1994	1993	(Decrease)	Percent
Operating Costs—Fund				
Fossil Energy	\$ 2,491	\$ 5,349	\$ (2,858)	(53.4) %
Nuclear Energy	9,914	83,473	(73,559)	(88.1)
Nuclear Waste Management	15,396	12,125	3,271	27.0
Conservation and Renewable Energy	1,547	760	787	103.6
Defense Programs	353,785	387,077	(33,292)	(8.6)
Environment, Safety, and Health	9,795	9,568	227	2.4
Energy Research	82,032	83,032	(1,000)	(1.2)
Environmental Restoration and Waste Management	70,746	78,753	(8,007)	(10.2)
Policy, Planning, and Program Administration	161	469	(308)	(65.7)
Nonproliferation and National Security	74,125	53,692	20,433	38.1
Other Administration	1,648	1,532	116	7.6
Work for Nonfederal Entities	1,726	98	1,628	1,661.2
Subtotal	623,366	715,928	(92,562)	(12.9)
Operating Costs—Nonfund				
Lease Purchase Operating Expense Offset	(18,379)	(19,020)	641	3.4
Plant and Equipment Adjustment	2,856	(17,493)	20,349	116.3
Depreciation Expense	99,591	89,455	10,136	11.3
Nuclear Material Expense/SS Material Expense	1,817	(3,960)	5,777	145.9
Revenue Interest	(1)	0	(1)	
Air Emission Credits	(37)	0	(37)	
Proceeds for Nuclear Waste Accounts	(2)	0	(2)	
Revenue—Work for Nonfederal Agencies	(4,893)	(5,239)	346	6.6
Subtotal	80,952	43,743	37,209	85.1
Less				
Depreciation Distributed to Reimbursables	23,625	19,266	4,359	22.6
Prior Year Adjustment	6	595	(589)	(99.0)
Net Cost of DOE Operations	680,687	739,810	(59,123)	(8.0)
Deduct				
Nonfund Costs/Prior Year Adjustment	57,321	23,882	33,439	140.0
Work for Other Nonfederal Agencies	1,726	98	1,628	1,661.2
Changes in Inventory and Collateral Funds	4,031	1,018	3,013	296.0
Total Deduction	63,078	24,998	38,080	152.3
Add				
Reimbursables	164,785	176,495	(11,710)	(6.6)
Work for Other DOE Organizations	75,626	60,434	15,192	25.1
Total Addition	240,411	236,929	3,482	1.5
<b>Total LLNL Operating Costs</b>	<b>\$ 858,020</b>	<b>\$ 951,741</b>	<b>\$ (93,721)</b>	<b>(9.8) %</b>



# Comparative Statement of Changes in Financial Position

*For the Fiscal Years Ended September 30, 1994 and 1993 (In Thousands)*

## Exhibit C

	Fiscal Years Ended September 30	
	1994	1993
Cash—October 1	\$ 112	\$ 70
Sources of Funds		
Appropriations	969,030	1,044,211
Revenue	165,535	177,671
Decrease in Receivables and Advances	9,721	14,340
Decrease in Inventory	5,281	10,369
Total Sources of Funds	1,149,567	1,246,591
Uses of Funds		
Operating Expenses	846,222	917,481
Less: Expenses not Requiring Outlays	78,559	94,846
Operating Expenses Requiring Outlays	767,663	822,635
Decrease in Payables	(313,558)	37,330
Purchases of Property, Plant, and Equipment	107,163	97,257
Inter-Office Transfers Issued/Unfunded Liabilities	588,336	289,327
Total Uses of Funds	1,149,604	1,246,549
Cash—September 30	\$ 75	\$ 112



### Note 1: Summary of Significant Accounting Policies

The financial statements provide an accounting for the financial position of the Lawrence Livermore National Laboratory for fiscal years ended September 30, 1994 and 1993.

The financial records of the Laboratory conform with generally accepted accounting principles and cost accounting standards when they do not conflict with the provisions of the DOE accounting directives for Management and Operating Contractors and are in compliance with Contract W-7405-ENG-48 between the University of California and the DOE.

#### Contract W-7405-ENG-48

The Laboratory receives funding from the DOE in accordance with the provisions of Contract W-7405-ENG-48 between the University of California and the DOE. The University of California manages the Laboratory's operations and activities and is compensated for its services. The Laboratory receives authorizations to incur costs and conduct operations through modifications to the Contract. There are four types of modifications: operating, non-DOE federal agreements, plant construction, and equipment.

Non-DOE federal agreements provide the Laboratory with approved funding under the provisions of the Contract to perform specific tasks requested by non-DOE federal entities. Costs are recorded and billed to the requesting entity by the Laboratory on behalf of the DOE. Cash collected from these billings is transmitted to the U.S. Department of the Treasury and deposited in the DOE account.

All nonfederally funded work performed at the Laboratory must be approved by the DOE prior to commencement of the work.

#### Inventory

The Laboratory uses a perpetual inventory system for all inventories. An annual physical inventory is performed according to a sampling plan approved by the DOE. Stores inventories and precious metals are valued and charged based on a weighted-average costing method. Special source materials are valued by the DOE.

#### Labor

The Laboratory's labor costs are allocated among programs using a standard cost system that includes salary costs and employee benefits. Overhead is distributed to direct programs based on a budgeted percentage of the direct wage base.

#### Plant and Equipment

Plant and equipment purchases meeting the DOE/LLNL capital criteria are recorded at cost. Capitalized assets are depreciated according to the straight-line and composite-rate methods over their estimated useful lives, ranging from five to fifty years. Depreciation is distributed on a non-fund basis to direct programs, non-DOE funded work, and work for other DOE organizations based on a percentage of program costs. Expenditures intended to significantly improve the asset or to extend its estimated useful life are capitalized. Repairs and maintenance are expensed in the current period. Interest on property, plant, and equipment is capitalized in cases when doing so provides an acquisition cost that more closely reflects total investment in the asset.

Asset dispositions are accounted for according to policies established by the DOE. When assets are determined to be in excess of the needs of the Laboratory, a formal notification is made to all other DOE facilities that the asset is available for transfer. If the asset is determined not useful to the other DOE or federal facilities, it is scrapped, sold, or donated. This policy covers both equipment and stores inventory.

#### Employee Benefit Plans

Laboratory policy provides for employees' annual vacation benefits ranging from ten to sixteen hours per month, depending upon years of service. Employees are allowed to accumulate vacation up to two times their annual leave. Upon retirement or termination, the employee is paid 100% of accumulated vacation pay.

Each employee accumulates sick leave at a rate of eight hours per month. Unused sick leave accumulates until it is used. If an employee terminates before using sick leave, the benefit is forfeited without liability to the Laboratory. Retiring employees are allowed to apply unused sick leave toward additional years of service.

## Notes to Financial Statements

The Laboratory participates with the University of California in various employee benefits programs. These programs include medical and dental coverage, retirement, workers compensation, and unemployment insurance.

### Liens

Liens represent the Laboratory's commitment to pay a vendor as directed by the terms of the purchase-order contract for goods and/or services to be rendered. Liens are recorded to reserve funds and to allow the Laboratory to operate within the funding provisions of the Contract. Liens outstanding at September 30, 1994 were \$96.8 million.

### Note 2: Cash

The Laboratory receives authority for expenditures according to a checks paid letter of credit from the U.S. Department of the Treasury. The letter of credit has a five-year term, commencing on March 1, 1991. The Laboratory is responsible for service charges relating to this letter of credit. Service charges for the year ended September 30, 1994 were \$63 thousand.

Below is an analysis of the letter of credit for 1994 and 1993.

### Letter of Credit Summary

(In Thousands)	1994	1993
Balance—October 1	\$ 490,585	\$ 482,809
Letter of Credit Amendments	896,647	1,051,986
Payment Vouchers Issued	(969,030)	(1,044,210)
Unpaid Balance—September 30	\$ 418,202	\$ 490,585

### Note 3: Other Current Assets

The following were included in Other Current Assets at September 30, 1994 and 1993.

(In Thousands)	1994	1993
Prepayments		
Integrated Contractors	\$ 2,940	\$ 2,608
Travel Advances	368	308
Prepaid License Fee	121	108
Prepaid Lease Expense	183	407
Deposits	39	21
Air Emission Credits	37	
Total	\$ 3,688	\$ 3,452

The Laboratory purchases materials from vendors in special containers and storage facilities. A security deposit is frequently required to guarantee the return of the containers. When the containers are returned, the Laboratory is refunded the deposited amount.

## Notes to Financial Statements

### Note 4: Accounts Receivable

The following were included in Accounts Receivable at September 30, 1994 and 1993.

(In Thousands)	1994	1993
Intra-DOE Operations Offices	\$ 157	\$ 335
Inter-DOE Operations Offices	10,317	7,217
Other Federal Agencies	2,256	414
Employees	349	286
Miscellaneous Receivables	5,082	5,983
Subtotal	18,161	14,235
Reimbursements		
Other Federal Agencies	35,780	49,249
Nonfederal Domestic	1,521	1,255
Nonfederal Foreign	884	7
Subtotal	38,185	50,511
Allowance for Uncollectible Accounts	(1,978)	(459)
Total	\$ 54,368	\$ 64,287

The allowance for uncollectible accounts is established based on specific accounts identified as being potentially uncollectible. These accounts must be submitted to the DOE for approval before any write-off can occur.

### Note 5: Inventories

The following were included in Inventories at September 30, 1994 and 1993.

(In Thousands)	1994	1993
Special Source Material	\$ 26,002	\$ 27,221
Special Reactor Materials	138	236
Other Special Materials	2,039	2,041
Stores	3,014	6,326
Allowance for Loss on Stores	(650)	—
Total	\$ 30,543	\$ 35,824

The allowance for loss on stores is estimated from historical data and is maintained to provide for obsolescence, loss, and damage.

## Notes to Financial Statements

### Note 6: Net Plant and Equipment

The following were included in Net Plant and Equipment at September 30, 1994 and 1993.

Plant and equipment are frequently acquired to perform the research requested by organizations other than the DOE.

Property on loan to the Laboratory and not included in Plant and Equipment at September 30, 1994 and 1993 was \$0.8 million and \$0.7 million, respectively from federal government other than DOE; and \$9.1 million and \$12.1 million, respectively from private organizations.

(In Thousands)	Cost of Plant and Equipment		Accumulated Depreciation		Net Plant and Equipment	
	September 30		September 30		September 30	
	1994	1993	1994	1993	1994	1993
Improvements to Land	\$ 30,314	\$ 28,425	\$ (10,367)	\$ (9,401)	\$ 19,947	\$ 19,024
Buildings and Structures	448,342	439,912	(152,354)	(126,176)	295,988	313,736
Total Improvements and Buildings	478,656	468,337	(162,721)	(135,577)	315,935	332,760
<b>Equipment</b>						
Hospital and Medical	409	513	(233)	(254)	176	259
Laboratory	379,515	369,665	(208,686)	(194,500)	170,829	175,165
Motor Vehicles	33,249	26,327	(19,477)	(19,938)	13,772	6,389
Office	9,211	6,781	(4,653)	(3,165)	4,558	3,616
Security and Protection	4,135	3,627	(2,617)	(2,251)	1,518	1,376
Shop	42,932	41,766	(22,575)	(21,156)	20,357	20,610
Automated Data Processing	230,165	224,761	(169,551)	(157,009)	60,614	67,752
Miscellaneous	35,633	36,334	(18,823)	(18,180)	16,810	18,154
Total Equipment	735,249	709,774	(446,615)	(416,453)	288,634	293,321
Assets Under Capital Leases	67,749	78,355	(17,072)	(13,479)	50,677	64,876
Other						
Utilities	127,450	105,405	(38,599)	(35,322)	88,851	70,083
Reactors and Accelerators	18,755	18,658	(13,903)	(13,106)	4,852	5,552
Total Other	146,205	124,063	(52,502)	(48,428)	93,703	75,635
Total Completed Plant and Equipment*	1,427,859	1,380,529	(678,910)	(613,937)	748,949	766,592
Construction in Progress						
Plant	170,508	136,361	—	—	170,508	136,361
Equipment	29,393	41,785	—	—	29,393	41,785
Total Construction in Progress	199,901	178,146	—	—	199,901	178,146
<b>Total Property, Plant, and Equipment</b>	<b>\$ 1,627,760</b>	<b>\$ 1,558,675</b>	<b>\$ (678,910)</b>	<b>\$ (613,937)</b>	<b>\$ 948,850</b>	<b>\$ 944,738</b>

\*The acquisition value of capital equipment acquired with Non-DOE/Work-for-Other DOE funds and not included in the Laboratory's completed Plant and Equipment at September 30, 1994 and 1993 was \$10.9 million and \$12.6 million, respectively.

## Notes to Financial Statements

### Note 7: Current Liabilities

The Laboratory records costs and the related liabilities in the period in which the activity occurs. Disbursements are released based upon terms and conditions of the purchase order or contract. Upon receipt of the Laboratory's checks, the bank requests reimbursement from the U.S. Treasury. Drafts payable represent checks outstanding as of September 30, 1994.

The following is an analysis of Drafts Payable for 1994 and 1993.

(In Thousands)	1994	1993
Balance—October 1	\$ (36,432)	\$ (40,869)
Deposits 10/1–9/30		
Payment Vouchers—		
Letter of Credit	969,030	1,044,211
Miscellaneous Receipts	105,013	38,115
Less: Deposits	1,074,043	1,082,326
Add: Disbursements	(1,061,315)	(1,077,889)
Balance—September 30	\$ (23,704)	\$ (36,432)

The following were included in Accounts Payable at September 30, 1994 and 1993.

(In Thousands)	1994	1993
Intra-DOE Operations Office	\$ 691	\$ 460
Inter-DOE Operations Office	2,656	2,776
Non-DOE Federal Agencies	5,355	6,838
Accounts Payable—Vendor	60,119	63,626
Total Accounts Payable	\$ 68,821	\$ 73,700

The following were included in Accrued Expenses at September 30, 1994 and 1993.

(In Thousands)	1994	1993
Sundry Payable	\$ 14,926	\$ 17,469
Accrued Payroll	7	51
Accrued Vacation	33,059	36,830
Total Accrued Expenses	\$ 47,992	\$ 54,350

The following were included in Other Current Liabilities at September 30, 1994 and 1993.

(In Thousands)	1994	1993
Funds Held for Others	\$ 7,591	\$ 10,985
Current Portion of Long-Term		
Lease Liability	15,503	18,193
Advance Payments	12,195	2,177
Current Portion of Post-Retirement Benefits	6,363	—
Total Other Current Liabilities	\$ 41,652	\$ 31,355

## Notes to Financial Statements

### Note 8: Lease Commitments

Certain noncancelable leases of the Laboratory are classified as capital leases and included as part of Net Plant and Equipment. Other leases are classified as operating leases and are not capitalized. The following were included in Net Capital Leases at September 30, 1994 and 1993.

(In Thousands)	1994	1993
Communications Equipment	\$ 26,945	\$ 26,905
Computers	35,481	37,375
Other	5,323	14,075
Total	67,749	78,355
Less: Accumulated Depreciation	17,072	13,480
Net Capital Leases	\$ 50,677	\$ 64,875

The following represents future minimum lease payments under capital leases.

(In Thousands)	Principal	Interest	Total
FY 95	\$ 14,904	\$ 599	\$ 15,503
FY 96	1,156	31	1,187
FY 97	96	3	99
FY 98	—	—	—
FY 99	—	—	—
Thereafter	—	—	—
Total	\$ 16,156	\$ 633	\$ 16,789

The Laboratory leases certain equipment, facilities, and land improvements under operating leases. The following represents the future minimum rental payment under operating leases having initial or noncancelable-lease terms longer than one year.

(In Thousands)	
FY 95	\$ 1,153
FY 96	910
FY 97	776
FY 98	120
FY 99	0
Thereafter	—
Total	\$ 2,959

Rental expense under operating leases was \$0.9 million and \$1.7 million at September 30, 1994 and 1993, respectively.

### Note 9: Contingencies

Various legal actions are pending against the Laboratory. Legal counsel has advised the Laboratory that the possibility of adverse outcomes is remote. The total anticipated settlements are not expected to be material.

### Note 10: Self Insurance

In the course of conducting its business, the Laboratory incurs liabilities related to self insurance and benefits. Examples of such items include both claims reported and those incurred but not reported regarding workers compensation, general liability, and health benefits plans. Provisions for such liabilities are included in these financial statements based upon management's estimates.

### Note 11: Distributed Overhead and Distribution Base

Some elements of Laboratory overhead are distributed at different rates and on bases other than direct wages. For example, supplemental labor overhead is distributed separately based on supplemental labor costs. Other overhead elements that are distributed separately are offsite overhead, offsite supplemental labor overhead, construction overhead, and General and Administrative expense. Distributed overhead represents what was distributed to programs at the general overhead rate and does not include these other elements. The distribution base for general overhead increased approximately 16% in FY94 compared to FY93, reflecting the addition of support burdens and distributed service centers to the FY94 base.

### Note 12: Post-Employment Benefits

Under current University of California policy, the Laboratory provides lifetime health benefits to retired employees in cooperation with the University. This policy is subject to change, and the benefits are not considered an accrued retirement system benefit. Laboratory employees may become eligible for such benefits if they reach normal retirement age while working for the Laboratory. The costs of retiree health care are recognized on a pay-as-you-go basis when claims are paid. The following represents post-employment benefit plan data at June 30, 1994 and 1993.

	1994	1993
Number of Eligible Participants	3,971	3,272
Payments (In Thousands)	\$ 13,212	\$ 11,700

## C

## omparative Costs and Full-Time Equivalents (FTEs) by DOE Sponsor

For the Fiscal Years Ended September 30, 1994 and 1993

	Costs (In Millions)			Average FTEs*		
	Fiscal Years Ended September 30			Fiscal Years Ended September 30		
	1994	1993	Increase (Decrease)	1994	1993	Increase (Decrease)
<b>Defense Programs</b>						
Nuclear Weapons RD&T	\$ 211.9	\$ 253.5	(16.4) %	1,912	2,243	(14.8) %
Technology Transfer	45.0	27.2	65.4	380	211	80.1
Inertial Confinement Fusion	77.6	91.0	(14.7)	639	711	(10.1)
Weapons Configuration	6.4	—	—	3	—	—
Stockpile	0.4	—	—	27	—	—
Program Direction	6.5	11.0	(40.1)	45	60	(25.0)
Reactor Operations/Supporting Services	2.1	2.5	(16.0)	14	15	(6.7)
	349.9	385.2	(9.2)	3,020	3,240	(6.8)
<b>Fossil Energy</b>						
Coal	0.3	0.5	(40.0)	2	2	0.0
Gas Recovery	0.3	0.2	50.0	3	3	0.0
Petroleum	1.9	4.6	(58.7)	8	42	(81.0)
	2.5	5.3	(52.8)	13	47	(72.3)
<b>Energy Efficiency and Renewable Energy</b>						
Industrial Energy Conservation	0.7	0.8	(12.5)	6	4	50.0
Electrical Energy Systems	0.1	—	—	1	—	—
Hydrogen Research	0.6	—	—	4	—	—
	1.4	0.8	75.0	11	4	175.0
<b>Office of Energy Research</b>						
Magnetic Fusion	14.3	15.3	(6.5)	145	163	(11.0)
NER Supercomputer Center	11.9	36.9	(67.8)	187	203	(7.9)
Basic Energy Science	35.3	7.4	377.0	62	57	8.8
Biological and Environmental Research	19.6	22.2	(11.7)	211	267	(21.0)
High-Energy Physics	1.1	1.2	(8.3)	7	7	0.0
University and Science Education	1.1	1.3	(15.4)	5	8	(37.5)
	83.3	84.3	(1.2)	617	705	(12.5)
<b>Office of Nuclear Energy</b>						
Advanced Isotope Separation	3.9	72.7	(94.4)	12	590	(98.0)
Gaseous Diffusion	4.4	9.0	(51.1)	24	31	(22.6)
Nuclear Energy R&D	1.0	0.2	400.0	8	2	300.0
Naval Reactor	0.3	0.3	0.0	—	—	—
Policy and Management	0.2	1.3	(84.6)	0	8	(100.0)
	\$ 9.8	\$ 83.5	(88.3) %	44	631	(93.0) %



## Exhibit D

	Costs (In Millions)			Average FTEs*		
	Fiscal Years Ended September 30			Fiscal Years Ended September 30		
	1994	1993	Increase (Decrease)	1994†	1993	Increase (Decrease)
<b>Environment, Safety, and Health</b>						
Environmental R&D	\$ 5.6	\$ 6.0	(6.7) %	29	33	(12.1) %
Nuclear Safety Policy	0.9	—	—	4	—	—
Security Evaluations	1.3	1.4	(7.1)	11	12	(8.3)
Epidemiologic Activities	1.8	2.2	(18.2)	23	32	(28.1)
Nuclear Safety Oversight	0.2	—	—	1	—	—
	9.8	9.6	2.1	68	77	(11.7)
<b>Environmental Restoration and Waste Management</b>	70.7	78.8	(10.3)	556	598	(7.0)
<b>Office of Nonproliferation and National Security</b>	73.3	53.6	19.7	507	418	21.3
<b>Civilian Radioactive Waste Management</b>	15.4	12.1	27.3	107	98	9.2
<b>New Production Reactors</b>	—	0.1	(100.0)	—	—	—
<b>Policy, Planning, and Program Evaluation</b>	0.4	0.5	(20.0)	1	3	(66.7)
<b>Administration and Human Resource Management</b>	0.5	0.3	66.7	2	1	100.0
<b>Chief Financial Officer</b>	0.6	0.7	(14.3)	6	7	(14.3)
Subtotal—DOE Operating	617.6	714.8	(13.6)	4,952	5,829	(15.0)
<b>Work for Other DOE Organizations</b>	75.6	60.4	25.2	664	525	26.5
<b>Work for Other Non-DOE Organizations</b>	164.8	176.5	(6.6)	1,427	1,341	6.4
<b>Total Laboratory Operating</b>	<b>858.0</b>	<b>951.7</b>	<b>(9.8) %</b>	<b>7,043</b>	<b>7,695</b>	<b>(8.5) %</b>
<b>Construction/Equipment</b>	107.2	97.3	10.2	278	319	(12.9)
<b>Total Laboratory</b>	<b>\$ 965.2</b>	<b>\$ 1,049.0</b>	<b>(8.0) %</b>	<b>7,321</b>	<b>8,014</b>	<b>(8.6) %</b>

\*Full-time equivalents (FTEs).

†Preliminary data pending final allocation of distributed FTEs to the direct sponsors. This information was provided by the LLNL Budget Office.

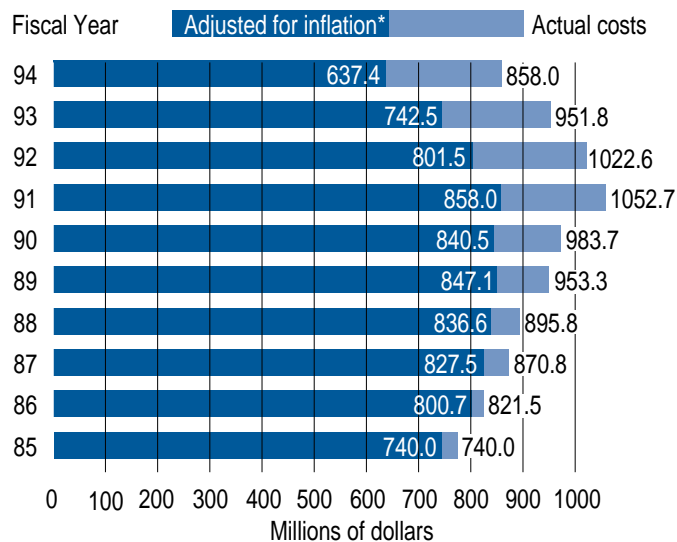
# T

## en-Year Operating Costs and Staff Levels

For the Fiscal Years Ended September 30, 1985 through 1994

**Exhibit E**

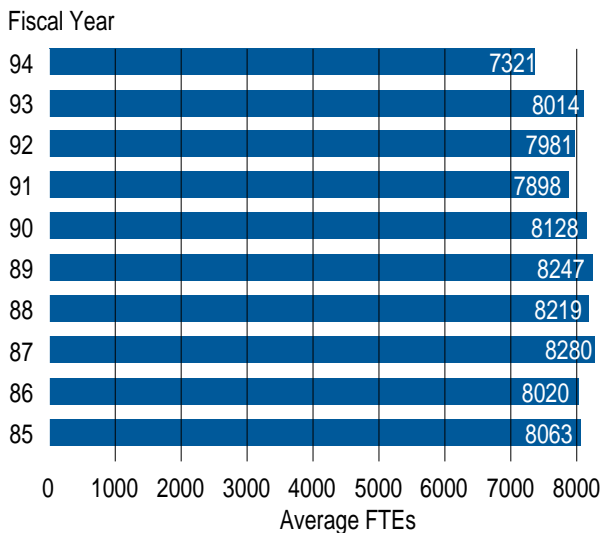
### Operating Costs



\*1985 base year using the LLNL Composite Escalation Index.

### Staff Levels

Includes: Full-time, part-time, and indeterminate-time employees



## C

## omparative Contract 48 Summary

For the Fiscal Years Ended September 30, 1994 and 1993 (In Thousands)

## Exhibit F

	Operations	Non-DOE Federal Funding	Equipment	Plant	Total
Contract Balance—September 30, 1992	\$ 122,513	\$ 57,965	\$ 50,873	\$ 105,195	\$ 336,546
Add: FY 93 Modifications	763,209	164,733	42,011	83,644	1,053,597
Contract Funding Available	885,722	222,698	92,884	188,839	1,390,143
Less: FY 93 Costs	757,053	167,084	46,908	50,348	1,021,393
<b>Contract Balance—September 30, 1993</b>	<b>128,669</b>	<b>55,614</b>	<b>45,976</b>	<b>138,491</b>	<b>368,750</b>
Add: FY 94 Modifications	674,589	137,919	37,646	40,453	890,607
Contract Funding Available	803,258	193,533	83,622	178,944	1,259,357
Less: FY 94 Costs	680,865	146,141	46,806	60,357	934,169
<b>Contract Balance—September 30, 1994</b>	<b>\$ 122,393</b>	<b>\$ 47,392</b>	<b>\$ 36,816</b>	<b>\$ 118,587</b>	<b>\$ 325,188</b>

## Contract Modifications for the Fiscal Years Ended September 30 (In Thousands)

Function	1994		1993		Increase (Decrease)
	Amount	Percent of Total	Amount	Percent of Total	
Operations (Less: Work for Nonfederal Entities)	\$ 659,250	74.0 %	\$ 756,133	71.8 %	(12.8) %
Non-DOE Federal Funding					
Ballistic Missile Defense Organization	24,955	2.8	79,863	7.6	(68.8)
U.S. Army	4,782	0.5	9,707	0.9	(50.7)
U.S. Air Force	5,607	0.6	23,345	2.2	(76.0)
U.S. Navy	2,450	0.3	5,623	0.5	(56.4)
Advanced Research Projects Agency	9,483	1.1	1,681	0.2	464.1
Other Department of Defense	5,461	0.6	1,254	0.1	335.5
Other Federal Agencies	85,181	9.6	43,260	4.1	96.9
Total Non-DOE Federal Funding	137,919	15.5	164,733	15.6	(16.3)
Work for Nonfederal Entities	12,839	1.4	6,581	0.6	95.1
Cooperative Research and Development Agreements	2,500	0.3	495	—	405.1
Equipment	37,646	4.2	42,011	4.0	(10.4)
Plant	40,453	4.6	83,644	8.0	(51.6)
<b>Total Contract Funding</b>	<b>\$ 890,607</b>	<b>100.0 %</b>	<b>\$ 1,053,597</b>	<b>100.0 %</b>	<b>(15.5) %</b>

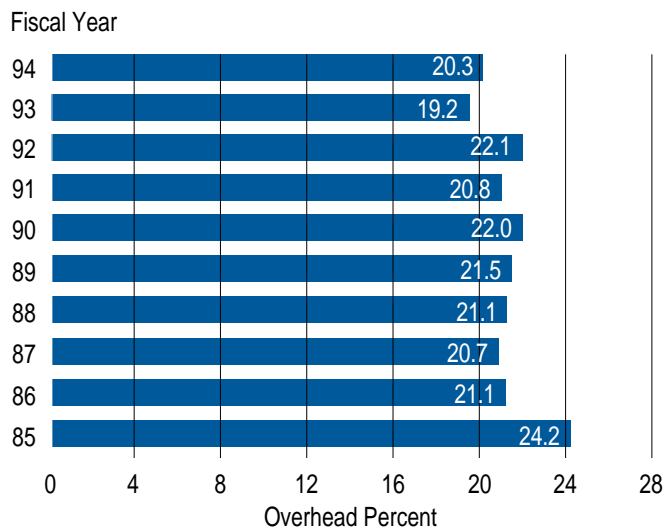
## C

## omparative Overhead Cost Analysis

*For the Fiscal Years Ended September 30, 1994 and 1993 (In Thousands)*

	Fiscal Years Ended September 30		Increase (Decrease)
	1994	1993	
Management and Administration	\$ 81,647	\$ 82,678	\$ (1,031)
Information Services	14,193	15,310	(1,117)
Environment, Safety, and Health	49,615	46,622	2,993
Facilities Management/Maintenance	52,105	60,370	(9,265)
Safeguards and Security	25,741	28,107	(2,366)
Information/Outreach Activities	13,872	12,063	1,809
Utilities	21,350	19,166	2,184
<b>Total</b>	<b>\$ 258,523</b>	<b>\$ 264,316</b>	<b>\$ (5,793)</b>
Distributed Overhead (Note 11)	\$ 174,152	\$ 182,497	\$ (8,345)
Direct Wages (Distribution Base) (Note 11)	\$ 349,003	\$ 301,648	\$ 47,355
Overhead Rate	49.9 %	60.5 %	
Total LLNL Operating Costs	\$ 858,020	\$ 951,741	
Distributed Overhead as a Percentage of Laboratory Operating Costs	20.3 %	19.2 %	

**Distributed Overhead as a Percent of Laboratory Operating Costs**



# A

## cknowledgments

---

Contributors to this report from the Finance Office include Kathy Duncan, Roxana Hodges, Rhonda Lowas, Tom Slone, Rick Locatelli, Henry Schaefer, Tim Young, and members of the Property Accounting staff. The report was prepared for publication by technical editor Pamela MacGregor, designer George Kitrinis, and compositor Louisa Cardoza.

### Disclaimer

This document was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor the University of California nor any of their employees makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial products, process, or service by trade name, trademark, manufacturer, or otherwise, does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or the University of California. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or the University of California and shall not be used for advertising or product endorsement purposes.

UCAR-10287-94

Work performed under the auspices of the U.S. Department of Energy by Lawrence Livermore National Laboratory under Contract No. W-7405-Eng-48.